# STATE WATER RESOURCES CONTROL BOARD BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE JANUARY 22, 2019

#### ITEM 3

#### **SUBJECT**

CONSIDERATION OF A RESOLUTION TO CHANGE THE CLEANUP AND ABATEMENT ACCOUNT FUNDING SOURCE FOR TWO TULARE COUNTY PROJECTS

## DISCUSSION

Tulare County (County) has received emergency funding for multiple projects since 2014, to address the impacts of the drought and contamination of drinking water supplies in the region. Two bottled water continuation projects were taken to the State Water Resources Control Board (State Water Board) on April 4, 2017, because total funding for each project exceeded \$500,000, which is the maximum the Deputy Director of the Division of Financial Assistance (DFA) is authorized to approve. The history and status of these two projects are described below.

The County has managed a Countywide Bottled Water Program (CBWP) since 2014. Most recently, the County received \$2,000,000 in Senate Bill (SB) 826 (Chapter 23, Statutes of 2016) funding (Resolution No. 2017-0018) to continue the CBWP. SB 826 funds were a set-aside of Cleanup and Abatement Account (CAA) funds for drought-related projects. The current funding agreement ends on March 31, 2019. The County has advised enrollees to plan for permanent solutions since the CBWP is ending. While some communities throughout the County have implemented permanent solutions, some households remain reliant on bottled drinking water. As part of providing solutions for many of these households, the State Water Board provided CAA funds to Self Help Enterprises (SHE) to implement a Point-of-Use (POU) Program in the County (POU Program) (Resolution No. 2017-0071), which includes water quality testing and installation of POU treatment systems in up to two hundred fifty (250) eligible disadvantaged households that are currently enrolled in the CBWP. The POU Program will end on September 3, 2020. The County is requesting to extend the CBWP approximately 17 months, to end at the same time as SHE's POU Program.

The second bottled water project is for the community of Seville. Funding for bottled water for the community has been provided since 2014. Most recently, the County received \$250,000 in SB 826 funding (Resolution No. 2017-0017) to continue providing bottled water to the community of Seville for approximately 24 months or until the long-term solution is implemented, whichever occurs sooner. The Seville Bottled Water Project is scheduled to end on March 31, 2019, however, the estimated completion date of the first phase of the long-term solution, which includes the replacement of the entire distribution system, installation of meters, and a storage tank, has been delayed one year to May 1, 2020. The County is requesting to extend the current agreement for the Seville Bottled Water Project approximately 14 months, to allow the County to continue providing safe drinking water to the community of Seville until this work is completed.

The County is estimating that the CBWP will have approximately \$1.9 million in unspent SB 826 funds, and approximately \$175,000 in unspent funds from the Seville Bottled Water Project; however, due to reduced usage and costs compared to original estimates, significantly less will be needed to continue these projects through June 2020 and May 2020, respectively.

Due to the June 30, 2019 sunset date for SB 826 funds, the agreements for both projects cannot be extended without adding money from a different funding source. Staff are proposing to use CAA funds to complete these projects. Given that both projects exceed the \$500,000 threshold for Division level approvals, State Water Board approval is required.

The requested allocation is consistent with the purposes of Water Code section 13442, which provides that the State Water Board may approve the payment of moneys from the CAA to a public agency to assist in addressing an urgent drinking water need without regard to whether the need for drinking water is a result of the discharge of waste.

## **POLICY ISSUE**

Should the State Water Board:

- 1. Approve the allocation of the following to the County from the CAA: up to \$200,000 for the CBWP, and up to \$110,000 for the Seville Bottled Water Project?
- 2. Authorize the Deputy Director of DFA to execute and amend funding agreements with the County for the CBWP and the Seville Bottled Water Project?

## FISCAL IMPACT

Unspent SB 826 funds will be disencumbered and will revert to the CAA. Because spending on these projects is less than originally anticipated, the amount that will revert to the CAA is expected to significantly exceed the CAA allocation requested herein.

# REGIONAL WATER BOARD/DISTRICT OFFICE IMPACT

The Division of Drinking Water (Tulare District Office) is supportive of the proposed additional funding for the County to continue the CBWP and the Seville Bottle Water Project.

#### **HUMAN RIGHT TO WATER**

The actions proposed under this item are consistent with the established policy of the State recognizing the human right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes (human right to water; Water Code section 106.3). The proposed actions are also consistent with Resolution No. 2016-0010, in which the State Water Board adopted the human right to water as a core value and top priority. As directed by the State Water Board in Resolution No. 2016-0010, staff have determined that the proposed actions support the human right to water by providing funding to ensure California's economically disadvantaged citizens have adequate access to clean drinking water.

## STAFF RECOMMENDATION

Staff recommend that the State Water Board adopt the proposed Resolution.

State Water Board action on this item will assist the Water Boards in reaching Goal 4 of the Strategic Plan Update: 2008-2012, to comprehensively address water quality protection and restoration, and the relationship between water supply and water quality, and describe the connections between water quality, water quantity, and climate change, throughout California's water planning processes.